GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3166
ANSWERED ON:06.12.2000
TRADE AGREEMENT WITH U.S.A.
DILIP KUMAR MANSUKHLAL GANDHI

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether a trade delegation of USA comprising public and private sector visited India to explore collaborative efforts in various projects in India;

(b) if so, the main subjects discussed with the delegation;

(c) whether several trade agreements including agricultural products have been signed between the two countries;

(d) if so, the details thereof;

(e) the extent to which the country would be benefited after the implementation of these agreements;

(f) whether India desire to raise the Indo-US trade target upto $ 20 billion during the next five years; (g) if so, the details thereof and the efforts being made in this direction; (h) whether India needs to work out a concrete strategy to streamline the flow of investment from USA; if so, the steps being considered in this regard; and (i) the extent to which US has agreed increase investment during the current year?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY

(SHRI OMAR ABDULLAH)

(a) to (e) : There is a regular flow of trade and business delegations from USA to India and vice-versa through the year, with the government/public and private sectors being represented. USA is India's largest trading partner and the top most export destination for Indian goods and services and also some of the major sources of foreign investment in India.Such delegations during their visits explore the scope for collaborative efforts in various projects of mutual interest to them to facilitate an improvement in bilateral trade ties leading to the undertaking of joint projects to mutual benefits.

(f) & (g) : USA is the largest trading partner of India and it is the endeavour of the Government to increase the trade.Since it depends upon a number of factors and is essentially between the private sectors of the countries, no targets could be fixed.

(h) &
(i) : No investment presently covers every sector of the Indian economy which is currently open to investment. Important developments in the recent past include formation of the Indo-US Economic Financial Forum to strengthen the economic relations between the two countries. For promotion of FDI into the country, Government continuously reviews the policy to make India an attractive destination for all countries, including US. During the current year (Jan-Sept, 2000) FDI proposals amounting to Rs. 36,546 million have been approved for USA and the actual inflow in the same period has been to the tune of Rs. 10,570.4 million.